

**MINUTES OF THE  
BUDGET COMMITTEE**

**TUESDAY, APRIL 15, 2008**

At a meeting of the **Budget Committee**, held Tuesday, April 15, 2008, in the Board Room, on the 9<sup>th</sup> Floor of the Administration Building, Mount Clemens, the following members were present:

Brown-Chair, Brdak, Bruley, Camphous-Peterson, Crouchman, DeSaele, DiMaria, Doherty, Drolet, Duzyj, D. Flynn, J. Flynn, Gielegghem, Haggerty, Lund, Mijac, Rengert, Roberts, Rocca, Sauger, Slinde, Switalski, Szczepanski, Tocco, Torrice and Vosburg.

There being a quorum of the committee present, Chair Brown called the meeting to order at 9:08 a.m.

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was recited.

**AGENDA**

**MOTION**

A motion was made by Duzyj, supported by Camphous-Peterson, to adopt the agenda, as amended (to include items #9A(a) & (b), #9B(a) & (b), and #9C). **The Motion Carried.**

**MINUTES**

**MOTION**

A motion was made by Sauger, supported by Haggerty, to approve the February 13, 2008 minutes of this committee, as written. **The Motion Carried.**

**AUTHORIZE TRANSFER OF JJC LAUNDRY OPERATION TO MARTHA T. BERRY MEDICAL CARE FACILITY IN ACCORDANCE WITH EXHIBIT I FOR A NET FIRST YEAR SAVINGS OF \$188,813**

**COMMITTEE RECOMMENDATION – MOTION**

A MOTION WAS MADE BY DOHERTY, SUPPORTED BY DUZYJ, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS AUTHORIZE TRANSFER OF THE JUVENILE JUSTICE CENTER LAUNDRY OPERATION TO MARTHA T. BERRY MEDICAL CARE FACILITY IN ACCORDANCE WITH EXHIBIT I FOR A NET FIRST YEAR SAVINGS OF \$188,813.

Commissioner Rengert asked if the employees are all pretty much covered as far as having positions. Commissioner Duzyj said that they worked with AFSCME and with

everybody. There might be a lag on a couple, but everybody is covered and will be employed after all this is said and done.

Commissioner Doherty thanked the staff that helped them work on this: Mr. Seidelman, Ms. Savalle-Dunn, Captain Baker, Mr. Diegel, Mr. Herppich, as well as AFSCME leadership. Otherwise, they would have never been able to bring this together and realize the savings.

Chair Brown called for a vote on the motion and **THE MOTION CARRIED.**

**AUTHORIZE TO HIRE SIX (6) ADDITIONAL “GRANT FUNDED” CASE MANAGERS AND TO AMEND/MODIFY CONTRACT #05-126-06 FOR M/SCETA**

Ms. Kathy Jordon gave a brief overview of this request.

**COMMITTEE RECOMMENDATION – MOTION**

A MOTION WAS MADE BY HAGGERTY, SUPPORTED BY JOAN FLYNN, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS AUTHORIZE TO HIRE SIX (6) ADDITIONAL “GRANT FUNDED” CASE MANAGERS AND TO AMEND/MODIFY CONTRACT #05-126-06 FOR M/SCETA. **THE MOTION CARRIED.**

**RECEIVE AND FILE PRESENTATION FROM PUBLIC AGENCY RETIREMENT SERVICES (PARS) REGARDING AN ALTERNATIVE TO SOCIAL SECURITY FOR PART-TIME EMPLOYEES**

**MOTION**

A motion was made by Haggerty, supported by Camphous-Peterson, to receive and file the presentation from Public Agency Retirement Services (PARS) regarding an alternative to Social Security for part-time employees.

Mr. Rick Simonson from PARS referred to the 33-page spiral bound booklet entitled, Proposal for PARS Alternate Retirement System and gave a verbal presentation. He overviewed the document starting with page 8 and continued through page 33.

Mr. Diegel thought this is an opportunity for the county to save money and it might be appealing to the employees, as well.

A lengthy discussion ensued with Mr. Simonson regarding administration of the plan, and benefit coverage for the county’s 460 part-time employees.

Inquiry was directed to Mr. Diegel as to what the cost benefit would be to the county.

### **MOTION**

A motion was made by Szczepanski, supported by Vosburg, to direct staff to develop a contract and bring it back to the next Budget Committee for further consideration.

A **friendly amendment** by Commissioner Doherty was accepted as follows: "To direct staff to bring back a Request for Proposal (RFP) and further information that they may find."

A discussion ensued with Mr. Simonson about the situation if the county has a part-time employee who is not contributing, there is the potential that they would not be eligible for disability benefits if they were contributing to this.

A discussion ensued with Mr. Diegel as to ages of the county's part-time employees, if they are older or younger. Inquiry was made to Mr. Diegel and Mr. Simonson if the part-time employee is already on Social Security, if this would have any effect on them.

Inquiry was made if the Board could give employees a choice. Mr. Diegel recalled that Mr. Simonson indicated that all the current part-time employees would have a one-time option of remaining in Social Security if they wanted to. Mr. Simonson recommended that the Board do an opt out for all employees, but all new hires be automatically in the system.

### **MOTION**

A motion was made by Doherty, supported by Camphous-Peterson, to **postpone** this item until July.

Commissioner Doherty expressed concern about survivor benefits, disability benefits, and disadvantages in calculations. She felt that a lot more analysis needed to be done before preparing a RFP. She further felt the Board needs to hear from Social Security. She further felt the Board needs to look at Acts that were passed and look at the congressional debate and find out what the pitfalls were of this program. She thought that this could have some pretty big ramifications for employees and the Board needs to approach it very cautiously.

Chair Brown said that he would bring back information that deals with these topics; Social Security primarily. He may bring in someone from the Social Security Administration to talk about this plan and see what impacts it would have, positively and negatively, on employees.

A roll call vote was taken on the **motion to postpone** as follows:

Voting Yes were Brown, Camphous-Peterson, Crouchman, DeSaele, Doherty, Duzyj, Haggerty, Rengert, Rocca, Sauger, Szczepanski, Tocco and Vosburg. There were 13 "Yes" votes.

Voting No were Brdak, Bruley, DiMaria, Drolet, David Flynn, Joan Flynn, Gielegthem, Lund, Mijac, Roberts, Slinde, Switalski and Torrice. There were 13 "No" votes.

**The Motion was Defeated.**

**RECOMMENDATIONS FROM LEGISLATIVE AND ADMINISTRATIVE SERVICES  
COMMITTEE MEETING OF 04-07-08**

Items (a) and (b) were taken separately.

**a) Conversion of Client Support Technician Position Vacancy/Information Technology  
Department**

**COMMITTEE RECOMMENDATION – MOTION**

A MOTION WAS MADE BY HAGGERTY, SUPPORTED BY TORRICE, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS APPROVE THE ELIMINATION OF ONE FULL-TIME CLIENT SUPPORT TECHNICIAN POSITION VACANCY AND TRANSFER \$33,600 TO CONTRACTED SERVICES IN THE INFORMATION TECHNOLOGY BUDGET AND REMOVE THE REMAINING BUDGET OF APPROXIMATELY \$27,108 (SALARY: \$6,458 AND BENEFIT: \$20,650) FROM THE IT BUDGET AS A COUNTY COST-SAVING MEASURE. **THE MOTION CARRIED.**

**b) Request from Clerk to Authorize Spending from Register of Deeds Automation Fund**

**COMMITTEE RECOMMENDATION – MOTION**

A MOTION WAS MADE BY HAGGERTY, SUPPORTED BY TORRICE, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS AUTHORIZE SPENDING UP TO \$135,000 FROM THE REGISTER OF DEEDS AUTOMATION FUND SO THE CLERK/REGISTER OF DEEDS MAY FIGHT REAL ESTATE FRAUD AND HIRE "EXTRA HIRE" EMPLOYEES TO IMPLEMENT THE "ENTRY BOOK" REQUIRED BY LAW. FUNDS ARE AVAILABLE IN THE REGISTER OF DEEDS AUTOMATION FUND, WHICH IS FUNDED FROM RECORDING FEES AND MAY ONLY BE SPENT ON REGISTER OF DEEDS IMPROVEMENTS. **THE MOTION CARRIED.**

**RECOMMENDATIONS FROM OPERATIONAL SERVICES COMMITTEE MEETING OF  
04-09-08**

Items (a) and (b) were taken separately.

Mr. Diegel identified the funding source for both of these requests as the Contingency Account.

a) Approve Renovations of Sheriff's Office Main Lobby, to Include a Children's Waiting Area

**COMMITTEE RECOMMENDATION – MOTION**

A MOTION WAS MADE BY BRULEY, SUPPORTED BY SLINDE, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS APPROVE RENOVATIONS OF THE SHERIFF'S OFFICE MAIN LOBBY, TO INCLUDE A CHILDREN'S WAITING AREA. COST OF PROJECT IS NOT TO EXCEED \$11,500. FUNDING IS AVAILABLE IN THE CONTINGENCY ACCOUNT.

A discussion ensued with Mr. Brumbaugh if there are any liability issues on having a children's waiting area.

Commissioner Duzyj expressed concern about the issue of supervision and who will be in charge of cleaning up. He felt this may end up being a problem further down the line.

Chair Brown called for a vote on the motion and **THE MOTION CARRIED WITH DUZYJ VOTING "NO."**

b) Approve Funding to Relocate Sheriff's Office Administrative Secretarial Staff and Create an Additional Conference Room

**COMMITTEE RECOMMENDATION – MOTION**

A MOTION WAS MADE BY SZCZEPANSKI, SUPPORTED BY SLINDE, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS APPROVE THE FUNDING TO RELOCATE THE SHERIFF'S OFFICE ADMINISTRATIVE SECRETARIAL STAFF AND CREATE AN ADDITIONAL CONFERENCE ROOM. THE TOTAL COST WILL NOT EXCEED \$16,704. FUNDING IS AVAILABLE IN THE CONTINGENCY ACCOUNT. **THE MOTION CARRIED.**

**RECOMMENDATIONS FROM HEALTH SERVICES COMMITTEE MEETING OF 04-10-08**

Items (a) and (b) were taken separately.

a) Continue Agreement in Amount of \$40,000 with Turning Point for Sexual Assault Nurse Examiner Program

**COMMITTEE RECOMMENDATION – MOTION**

A MOTION WAS MADE BY CAMPHOUS-PETERSON, SUPPORTED BY DiMARIA, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS CONTINUE AGREEMENT IN THE AMOUNT OF \$40,000 WITH TURNING POINT, INC. FOR THE SEXUAL ASSAULT NURSE EXAMINER (SANE) PROGRAM.

Commissioner DeSaele recalled at the Health Services Committee there was a PowerPoint presentation that for some reason they could not present. She said that Commissioner

Tocco currently has a copy of the disk containing the presentation, if any commissioner is interested in seeing it.

Chair Brown called for a vote on the motion and **THE MOTION CARRIED.**

**b) Approve Payment of \$35,000 to City of Mount Clemens from Environmental Problems: Lake/River Fund**

**COMMITTEE RECOMMENDATION – MOTION**

A MOTION WAS MADE BY SAUGER, SUPPORTED BY DiMARIA, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS APPROVE PAYMENT OF \$35,000 TO THE CITY OF MT. CLEMENS FROM THE ENVIRONMENTAL PROBLEMS: LAKE/RIVER FUND FOR THE CLINTON RIVER DEBRIS REMOVAL INITIATIVE AS APPROVED MAY 18, 2006. **THE MOTION CARRIED.**

**RECOMMENDATION FROM COMMUNITY SERVICES COMMITTEE MEETING OF 04-11-08**

**COMMITTEE RECOMMENDATION – MOTION**

A MOTION WAS MADE BY SLINDE, SUPPORTED BY CAMPHOUS-PETERSON, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS AUTHORIZE MSU EXTENSION TO ACCEPT THE CONTRACT WITH MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY (MSHDA) TO PARTICIPATE IN THE NATIONAL FORECLOSURE MITIGATION COUNSELING GRANT IN THE AMOUNT NOT TO EXCEED \$129,500. THIS AGREEMENT RUNS FROM MARCH 1, 2008 THROUGH DECEMBER 31, 2008. ONE PART-TIME EDUCATOR I AND ONE PART-TIME COMPUTER MAINTENANCE CLERK WILL NEED TO BE HIRED TO IMPLEMENT THIS PROGRAM, AT NO EXPENSE TO THE COUNTY. **THE MOTION CARRIED.**

**APPROVE 2008 EQUALIZATION REPORT**

Prior to the start of this committee meeting, commissioners were provided with a spiral bound copy of the 2008 Equalization Report.

**COMMITTEE RECOMMENDATION – MOTION**

A MOTION WAS MADE BY HAGGERTY, SUPPORTED BY JOAN FLYNN, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS APPROVE THE 2008 EQUALIZATION REPORT AS SUBMITTED BY THE EQUALIZATION DEPARTMENT. **THE MOTION CARRIED.**

Mr. Mellen referred to information that was provided and noted that there is an almost six percent reduction this year. He said that the County Taxable Values are beginning to be

sent in and early estimates show that the increase is about one percent, which is less than the Finance Department's estimate of two-and-a-half percent. The estimated reduction will be \$1 million to \$1.5 million.

Mr. Mellen noted that Chesterfield Township came in unsigned on Friday afternoon due to the fact that their assessor is off on permanent medical leave. He will be bringing to the Board a proposal. They have requested him to offer assistance in getting their roll and organization redone next year. He spoke to Chair Brown and this issue will be on next month's agenda.

### **APPROVE PURCHASE OF COURT RECORDING AND EVIDENCE/TESTIMONY PRESENTATION EQUIPMENT FOR 42-2 DISTRICT COURT**

#### **COMMITTEE RECOMMENDATION – MOTION**

A MOTION WAS MADE BY VOSBURG, SUPPORTED BY JOAN FLYNN, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS APPROVE THE PURCHASE OF COURT RECORDING AND EVIDENCE/TESTIMONY PRESENTATION EQUIPMENT FOR THE 42-II NEW BALTIMORE DISTRICT COURT AT A COST OF \$76,593; FUNDING IS AVAILABLE IN THE NEW BALTIMORE COURT CONSTRUCTION BUDGET. **THE MOTION CARRIED.**

### **RECEIVE AND FILE 2008 CONTINGENCY REPORT UPDATE**

#### **MOTION**

A motion was made by Slinde, supported by Camphous-Peterson, to receive and file the 2008 Contingency Report Update. **The Motion Carried.**

### **NEW BUSINESS**

A lengthy discussion ensued with Mr. Diegel about the upcoming budget process. During discussion, Mr. Diegel said that in May they will have a projection for 2009 and 2010. One of the key figures will be the taxable value that was just discussed. In 2011 is the big question mark about revenue sharing; whether that will be funded or not by the state. During discussion, it was suggested that instead of doing a one-year budget, it should be a two-year budget, so departments can plan for that. It was suggested that a committee of department heads be formed to see where they can cut. It was felt that the Board has to address the structural problem that is creating all of these problems and that is health care costs and retirement costs.

A discussion ensued with Mr. Herppich about the scheduling of a Special (executive session) Personnel Committee meeting for sometime next week. During discussion, it was suggested to hold these meetings between 8 a.m. and 9 a.m. It was decided that the meeting would be held next Thursday at 8 a.m.

**ADJOURNMENT**

**MOTION**

A motion was made by Duzyj, supported by Sauger, to adjourn the meeting at 10:35 a.m.  
**The Motion Carried.**

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**Denise M. Jacks**  
**Committee Reporter**